2005 Closeout



[1952 - 2005]



Managing The Personal Impacts of Closure



- Personnel Impacts and Behaviors:
 - Quality and character of your personnel will be tested
 - Must be prepared for a department behavioral transition.
 - Our identity in large part defines who we are.
 - All ranks and seniority levels are affected.
 - Layoff is ranked # 4 of the top 100 stressors.
 - Your decision can affect long term relationships.
 - One of my toughest professional challenges
 - Quality and quantity of work can diminish.
 - Expect significantly more push back for routine tasks
 - Punitive discipline has increased 100%in the past two years.
 - Increase in civil actions against the company.
 - More letters of concern sent to Congress.

- Personnel Impacts and Behaviors:
 - Managing Change / Closure.
 - Leadership & Communications
 - Must balance both Firefighter and company needs and expectations
 - Must continually emphasize Fire Department Missions & Values
 - Training, Safety, Performance, Quality Service.
 - Continually demonstrate commitment to support employment beyond Rocky Flats.
 - Consolidations, Lateral Transfers, site specific testing (educational support), etc.
 - Recognition performance awards are still important.
 - Committed to maintain all certifications and "Q" clearances.



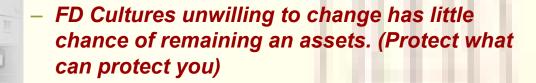






Organizational transition:

- Managing change/ closure.
 - Management must be committed to a new way of thinking



- Self directed work teams (Empowerment)
- Simplify solutions (Try easier)
- Don't let your strengths become a weakness
- Hurry needs to be become the normal style.
 (Think Fast)
- Never, Never, Never give up

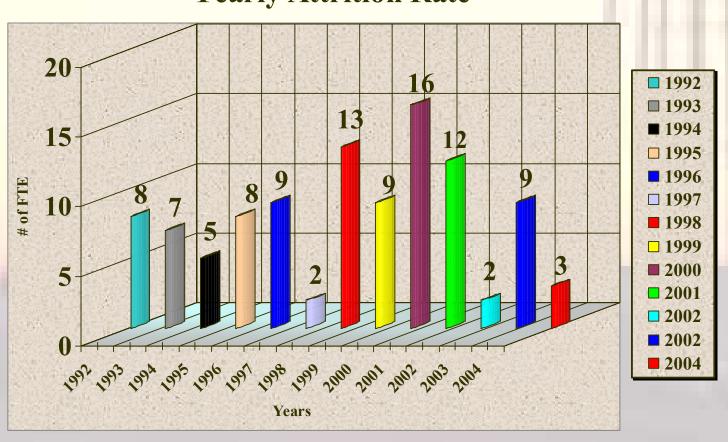


Personnel Impacts and Behaviors: (Extensive turnover)

- Retention Package Included
 - 11% to 15% across the board adjustment.
 - Retention bonus of
 - \$50k for Officers.
 - \$45k for Firefighters.
 - \$25k for Dispatch / Staff.
 - Kaiser-Hill Severance Package (1 week for every year worked up to 20 weeks).
 - \$10k for Retraining.
 - \$5k in support for starting a new business.
 - 1 year of insurance at Cobra price.
 - Participate in the Kaiser-Hill performance Bonus package
 - Reduce the retirement rule of 85 to 70



Yearly Attrition Rate



BNA In A Closure Environment

Rocky Flats Fire Department BNA - Closure Highlights

- Risk Based Staffing Overview
 - 2001 we implemented a Risk Based Staffing System
 - NFPA 1710 not a logical tool for reducing population & hazards
 - Each facility was given a Hazard Classification:
 - Type I, II, III
 - Each facility was given an Emergency Services classification:
 - Type A, B, or C (NFPA 1710 compliant)
 - RFFD is currently a Type B Department.

Cluster	Property Identifier		FY2005 Decomm Start Plan	FY2006 Decomm Start Plan	Building Sq/Ft	Facility Type - (RAD & Contam ination Hazards)	Em ergency Services Type	Miscellaneous Site Information
	770	- 774 Maintenance/771 War Room		2003	2,860	2	В	
	77.1	- Plutonium Recovery Facility		2003	151,430	3	С	
		- Camenter Shop		2003	564	2	В	
		- Nuclear Waste Packaging -		2003	301			
	,,,,,	Drum Counting Drum Counting		2003	4,648	2	В	
	771-DT	- Decon Tmiler (plus						
		atta chments - west of 771G)		2003		2	В	
	771-S	- 771 Stack		2003		1	A	
	77.2	- HF Acid Storage		2003	1,129	1	A	
	772A	- A cid Storage (southeast of						
		B771)		2003	400	1	A	
	774	- Liquid Waste Treatment Plant -						
		771 Plutonium Ops		2003	25,060	3	C	
	774A	- Waste Treatment Plant RCA						
		Tank (nw of 774T)		2003	363	2	В	
	774B	- Waste Treatment Plant Non						

Rocky Flats Fire Department BNA-Transition Highlights

- While transition to risk based staffing has proven effective, it has not been an easy process (particularly as we transition to a Type "A")
 - Original concept was to transition Core Services to facilitate Fire Department reductions
 - HazMat Operations.
 - Technical Rescue.
 - Contract 2nd Engine Company and Wildland Support.
 - Contract Paramedic Transport Services with private carrier.
 - Eliminate All mutual aid agreements
 - Type "A" was to be implemented by October 200
 - 6 per platoon, 1 Chief

Wildcard Considerations

- Perspective on hazards and emergency service needs significantly changed (Contractor, DOE, FD).
- Significant disagreement on when to implement changes.
- Only real solution was to negotiate hard dates for:
 - Staffing
 - Dates for Release
 - Apparatus

Critical to our BNA success is

- BNA is directly tied to the KH Contractual language.
- DOE must approve all status changes.

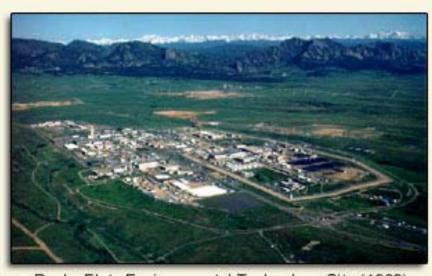




Contractor Challenges To Accelerated Closure

Closure Highlights

- 1995 Kaiser-Hill Company awarded an Integrated Management Contract
 - First DOE contract that was based primarily on performance.
 - Significant fee was tied to safety.
 - Streamline cost savings was shared with Contractor and Employees.
 - Required 25% of the current on site services to be out-source.
 - By 2000 the project was approximately 27% complete.
- 2000 Kaiser-Hill awarded a six year extension.
 - First contract to share risk with DOE
 - Projectized all work processes.
 - If they could achieve 2005 closure (\$120 million bonus).
 - Currently 85% complete with clean-up (14 months ahead of schedule).



Rocky Flats Environmental Technology Site (1998)

Rocky Mountain News **Safety slips at Flats**

Fire in plutonium chamber among events blasted by federal watchdog. 4A

Commemorative vigil on the lake





Agency sees safety breakdown at Flats

	"wholesale breakdown" in selety: B
١.	Kaleer-Hill ineffective for fulling to
	surface repealed safety violations.
e	After the incident in May, the DOS reported a small first to the self-
	to board. Only after the board ques-
	torsed inconsistencies in the story
	did local DOE officials investigate
_	and discover that fames reached 15
_	thet had endangered the free of
MI NO	weathers, the board mild. It took the
y 000-	DOES! days to report that account to the patrix bound.
no les	As it turned out the bre, builde a
	two-story metal and display in a
mars.	
	liquid plutonium. Workers risked a
aron.	
DOM:	when they poured water on 11 to





Safety: Not enough DOE oversight

Gosure Highlights

- Results of shared risk and aggressive performance milestones. (Lessons Learned)
 - Work control processes not as rigorous as when in operation (hazards ID, and field walkdowns).
 - Quality and consistency of RWPs.
 - Changing from a "Conduct of Operations" work philosophy to industry standards have resulted in increased errors.
 - Safety statistics are however very satisfactory.
 - Increase in fire activities.
 - Sub-contractor culture not in line with DOE work practices.

D&D Fire Protection (Positive Lessons Learned)

Closure Highlights

- Positive Fire Protection & Prevention Lessons Learned.
 - Project specific Fire Protection Engineering with "program" support & oversite has worked well.
 - Engineering calculation and review requiered before any system modification
 - No compromise on maintaining fixed fire suppression systems
 - No facilities abandon in place
 - Maintained a strong "Hot Work" program.
 (No streamlining)
 - Maintained a rigorous fire prevention program. Must be active in all projects
 - Wireless alarm systems have proven effective.





Thanks and Good-bye



Dennis Kubicki Bill Boyce Bill Shields Carl Caves Walter Maybee **Andy Pryor Gordon Veerman Don Good Bruce Campbell Bob Williams**



